



Badger Meter

General Investor Presentation*

April 2025

**See separate Q1 2025 Earnings Slide Deck*



Badger Meter



Forward Looking Statements

Certain statements contained in this presentation as well as other information provided from time to time by Badger Meter, Inc. (the “Company”) or its employees, may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those statements. The words “anticipate,” “believe,” “estimate,” “expect,” “think,” “should,” “could” and “objective” or similar expressions are intended to identify forward looking statements. All such forward looking statements are based on the Company’s then current views and assumptions and involve risks and uncertainties. The Company’s results are subject to its ability to develop and manufacture technologically advanced products that are accepted by the market, supply chain risk, legal and regulatory risks, political and general economic risks, risks related to doing business in foreign countries, including foreign currency risk, competition for skilled employees, material and labor cost increases, competitive pricing and operating efficiencies, the effects of climate change, cybersecurity attacks and disruptions to our information technology and the successful integration of acquisitions. See the Company’s Form 10-K filed with the SEC for further information regarding risk factors, which are incorporated herein by reference. The Company disclaims any obligation to publicly update or revise any forward-looking statements as a result of new information, future events or any other reason.

In this presentation certain non-GAAP financial measures may be used. Please see the supplemental financial schedules at the end of this presentation for a reconciliation to the appropriate GAAP measure.

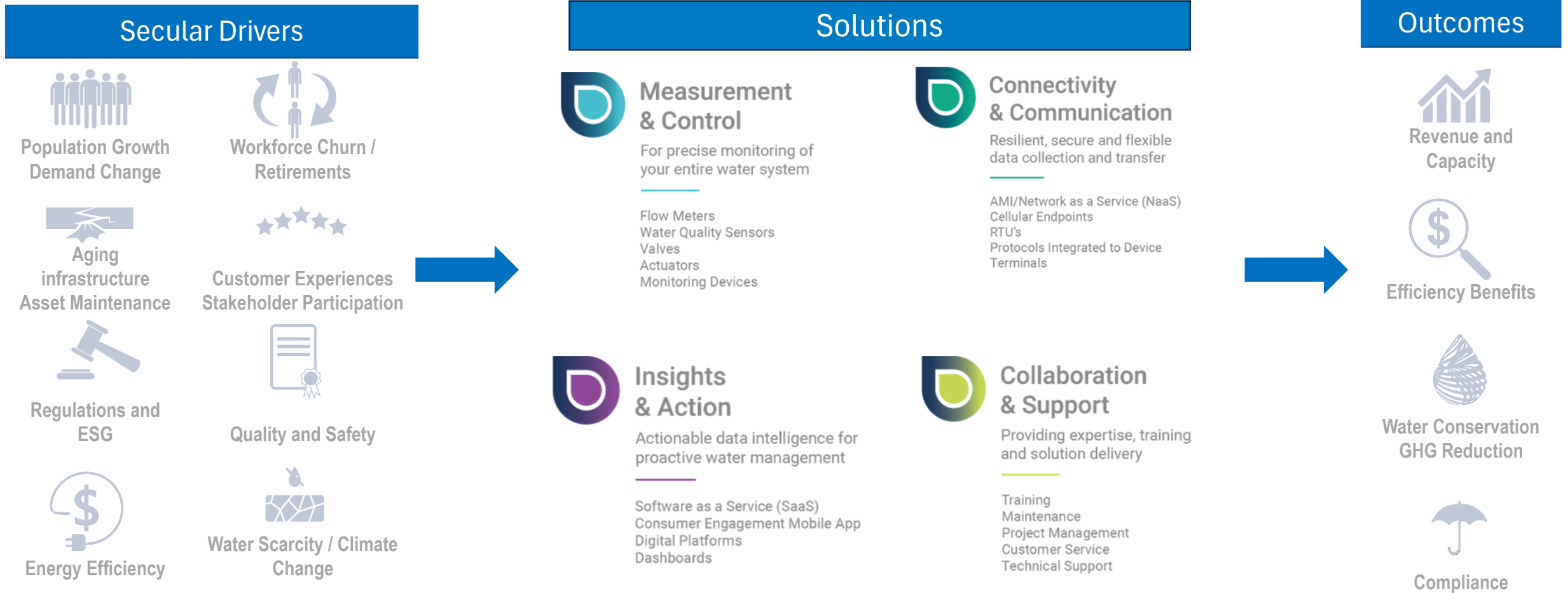
Badger Meter is a Premier Smart Water Solutions Provider



- Comprehensive suite of digital smart water offerings including flow measurement, water quality, pressure and network monitoring with software / analytics solutions
- Industry leader in North American smart water solutions; global niche position in flow measurement; expanding international presence
- Attractive, long-term growth fundamentals:
 - Technology/digital adoption accelerating - improve operating efficiency, resiliency and sustainability
 - Stable business model supported by replacement demand
 - Expansive and growing suite of offerings with both organic and acquisition-related investments
- Culture of innovation, continuous improvement and sustainability
- Premium financial profile and exceptional operational track record



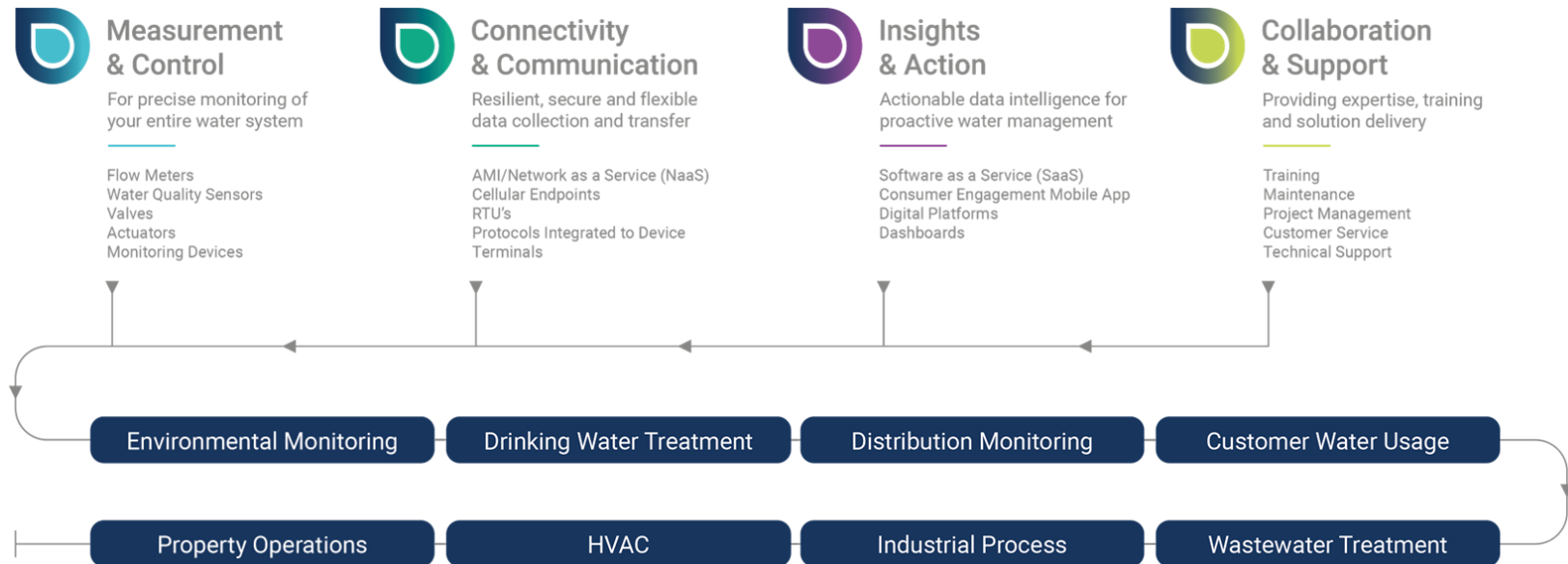
“Choice Matters” Portfolio of End-to-End Solutions to Solve Customer Challenges





BlueEdge by Badger Meter – Simplifying Customer Path to End-to-End Solution Offerings

- Introduced “umbrella” name for suite of tailorable solutions that integrate water technology, software and services for the management of water
- BlueEdge is customizable to address applications across the water cycle
- Grow with utility / other customers on their technology journey – from select to potentially all elements over time based on size/readiness
- Also serves as strategic “lens” for R&D and acquisition growth investments
- BlueEdge is not a “product”, a PO line item or a “segment” – it is a framework by which we simplify our breadth of solutions





First Quarter Financial Snapshot Highlights Earnings Expansion Potential Across Business

(US\$ in millions, except per share data)

	<u>Q1 2025</u>	<u>Q1 2024</u>	<u>Change</u>
Sales	\$222.2	\$196.3	13.2%
Gross Margin	95.4 42.9%	77.2 39.3%	23.6% 360 bps
SEA	46.0 20.7%	40.6 20.7%	13.3% flat
Op Income	49.4 22.2%	36.6 18.6%	35.0% 360 bps
Income Tax Rate	24.4%	23.5%	
EBITDA	57.7 26.0%	44.6 22.7%	29.4% 330 bps
EPS	1.30	0.99	31.3%
Free Cash Flow	\$30.0	\$18.8	59.6%

- Utility water sales increased 16% (12% ex SmartCover), driven by ongoing adoption of Cellular AMI including meters, ORION Cellular endpoints and BEACON SaaS
- Flow instrumentation sales decreased 5% as modest growth in water-related markets offset by lower demand in de-emphasized end markets; sequential quarterly growth of 7%
- Gross margins improved 360 bps on particularly favorable product and customer sales mix; tariff impact negligible
- SEA as a percent of sales stayed flat year-over-year, inclusive of \$1.1M of SmartCover intangible asset amortization; 90 bps decline proforma ex SmartCover
- Strong quarterly free cash flow on improved earnings; Q1 FCF reflected typical seasonality related to prior-year management incentive and defined contribution payments

See appendix for reconciliation of GAAP to Non-GAAP measures



Exposures Manageable with Mitigation Efforts (w/ Lag Effects); Estimated Impact Contained within Normalized Gross Margin Range; Competitively Level Playing Field For Mitigation Actions

NOTE: Subject to change – based upon current trade/tariff conditions as of April 17, 2025

Summary of Potential Tariff-Related Exposures

Manufacturing Footprint Supporting US Market Sales

- Nogales, Mexico - maquiladora - supports majority of residential meters and radios which are generally USMCA compliant
- Austria - water quality imports to US (under the s::can brand name)
- Czech Republic - mag meters (wastewater/HVAC) imports to US
- Multiple US-based manufacturing locations – commercial meters, flow instrumentation, water quality, pressure, SmartCover, other products

Supply Chain Supporting US Market Sales

- Highly US-based supply chain / suppliers
- Select electronic components (SE Asia)
- Connectors / other components (China)
- Batteries (Israel/South Korea)
- Other (EU)

Other Tariff-Related Developments

- Rare earth minerals – China retaliatory export control restriction on bismuth, an element of potable water brass ingot recipe. Cost increase nearly 10X since beginning of year, impacting castings component costs

Tariff-Related Exposure Sizing / Mitigation

Products	Tariff Impact	Mitigation Efforts
Residential meter and radio products	Overall impact minimal due to USMCA exemption on these high-volume products	Continue strategic sourcing efforts
Commercial-size utility meter products US-based manufactured products (industrial flow, water quality, pressure, other products)	Low - only select components; largely reciprocal tariff driven based upon country of origin	Implement targeted pricing actions
Products coming from non-US subsidiaries for sale in US market (mag meters, select water quality products)	Low - overall impact limited given impact on total sales/COGS	Implement targeted pricing actions
Materials subject to retaliatory export controls	Low - Primary exposure to bismuth (components of brass ingot formula), which has been restricted by China	Implement targeted pricing actions

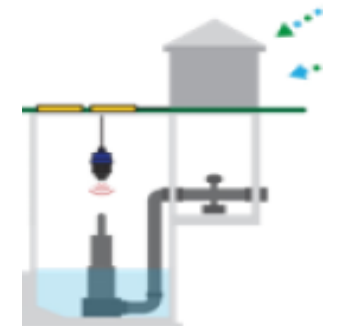
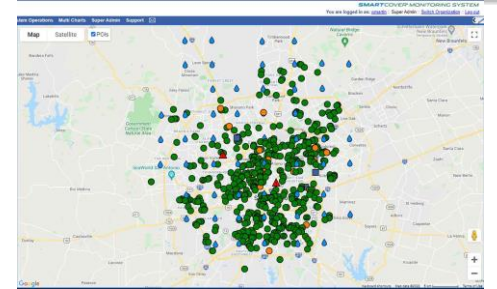
SmartCover's Solutions Allow Utility Customers To Visualize and Optimally Manage Wastewater Collection Systems



Snapshot

- Founded 2005; XPV Water Partners investment in 2016
- High attach rates to recurring software and support revenues
- Strong track record of organic revenue growth; 20+% CAGR
- Diverse U.S. utility customer base
- Will be included in utility water product line
- \$185M purchase price; ~5x 2024 sales of \$35M
- 2024 HSD EBITDA %; Accretive to EPS after year one

- Acquired January 30, 2025
- Provide sewer and lift station monitoring solutions
 - Sensors at the manhole for 24/7 monitoring and notification; data-driven information to anticipate events before they happen
 - Other use cases include odor monitoring, sewer inflow and infiltration detection and cleaning optimization
 - Remote lift station monitoring and control – at both the pump and network level; complementary to existing Telog monitoring solution
- Hardware-enabled software – sensors and instruments with recurring, low-churn software and support
- Leadership position in sewer line monitoring with ~50% share





SmartCover Acquisition Enhances Network Monitoring in BlueEdge Addressing Sewer and Lift Station Monitoring Capabilities

Profitable but Subscale Asset Primed for Growth

- U.S. market share leader in “1st inning” of sewer monitoring adoption
- Utility demand for stormwater management driven by increasing frequency of extreme weather events/flooding
- High recurring revenue with software and after-market collaboration and support

Laneways for Future Growth and Profitability

- Leverage Badger Meter sales network to accelerate municipal adoption of sewer and lift station monitoring through BlueEdge suite of solutions
- Leverage Badger Meter’s corporate and manufacturing footprint to improve operating costs
- Leverage cellular communication expertise to advance and extend connectivity resilience





Longstanding Capital Allocation Priorities with Ample Liquidity to Execute

- 1 **Internal Investment** to support organic growth and sustain core business
- 2 Grow the **dividend** annually in line with earnings
- 3 Accelerate **acquisitions** that align to strategy and return targets

- Strong free cash flow, working capital management
- No outstanding debt obligations and \$131M of cash at March 31, 2025; \$150M untapped revolver
- August 2024 dividend increase of 26% marked 32 consecutive years of dividend increases.



2023 Sustainability Report Highlights Continued Progress to Mitigate Risk, Reduce Cost and Enable Customer Outcomes

- Demonstrated outperformance from both a financial and sustainability perspective
- Integral to our business – value creating (customers) and value preserving (cost / risk management)
 - Profitable growth by solving customer water challenges; 95% of revenues generated from water-related applications
 - Attracting and retaining talent to drive innovation, customer loyalty
 - Enterprise risk management cornerstone of culture
- Recognized outcomes
 - Barron’s Top 100 Sustainable Companies
 - AAA rating- MSCI
 - USA Top Companies

↓ 18%

GHG emissions intensity

↓ 27%

Water intensity

↓ 32%

TCIR (safety) improvement

↓ 170 BPS

Regrettable Turnover

22%

Positions filled via employee referrals



Creating Long-Term Shareholder Value by Capitalizing on Favorable Demand, Industry Dynamics and Execution

- Innovation leader with expanding technology-enabled software offerings
- Attractive bid funnel and strong order rates
- Growing SaaS revenue base

Consistently Resilient Results



- Durable macro trends support long-term smart water solution adoption
- 85% replacement-driven base demand
- Demonstrated benefits of efficiency, resiliency and sustainability

Constructive Industry Backdrop



- Strong cash flow and borrowing capacity
- Organic and inorganic strategic growth investments
- Dividend aristocrat

Investing for Growth



- Differentiated performance despite evolving macro-challenges
- Positive structural mix and SEA leverage drive margins

Differentiated Execution



- Strong engagement
- Values-driven
- Customer-focused execution
- Continuous improvement focus across enterprise

Exceptional Team





Background Information



Badger Meter



Providing Insight into Recent Investor Topics of Interest

(Please refer to transcript of the Q1 2024 earnings call for further details on each item)

Common Investor Topics	Badger Meter View
An ultrasonic meter is a smart meter	Meter measurement technology is not what makes a meter “smart” – it is the addition of a communication device. An ultrasonic meter can be read manually, and a mechanical meter can connect with Cellular AMI/BEACON software
Long term growth algorithm	While macro fundamentals and our portfolio of solutions remains supportive, the cycle of bids, awards and installations, all are inherently uneven. Advanced from MSD to now endorsing HSD growth in utility water over the cycle, with variation year-to-year. Law of larger numbers also affects <u>rate</u> of growth.
Status of federal infrastructure investments	<p>Some “chatter” but little AMI activity financed with federal infrastructure spend to-date. Badger Meter has several Build America “BABA” compliant offerings. Recently chose to file a response to an EPA “request for information” for manufacturers regarding BABA. The letter supplemented a WWEMA (industry trade group) similar comment letter. This was not a “waiver” request. Goal was to inform EPA of:</p> <ul style="list-style-type: none"> • Lack of electronics availability in US supply chain (applicable to all industry participants) • Customer (and EPA) benefit from industry-level versus project-by-project waivers for electronics
Drivers of gross margins / “normalized” range	We operate with a continuous improvement mindset. While there are underlying structural sales mix benefits over the long term, there are also realities of competition, inflation, technology/electronics complexity that limit “stairway to heaven” on gross margins
How do you win in the market	<p>Respect all competitors; believe our durable growth driven by (among other items):</p> <ul style="list-style-type: none"> • “Choice matters” broad portfolio of solutions • Innovative and differentiated Cellular AMI - span and scope of reference accounts • Breadth of solutions beyond metering/AMI – water quality, pressure, network monitoring, software, etc.



Badger Meter Is the Smart Water Innovation Leader and Continues to Invest in R&D

Driving Enhancements in Smarter Measurement & Actionable Data → Enhanced Operational Efficiencies

Ultrasonic Metering

- Additional data elements – flow, pressure, temperature, valves
- Vertical integration of chip sets in order to control the evolution of smarter devices
- Improved accuracies



Innovation Centers:
Lulea, Sweden
Milwaukee, WI, USA

Water Quality

- Low maintenance, reagent-less sensors
- Advanced IoT edge computing detects events
- 60+ parameters for water and gas
- 20+ years of leadership in optical spectrometry, 30+ years in electrochemical



Innovation Centers:
Vienna, Austria
Philadelphia, PA, USA

Cellular & IoT

- Multi-carrier
- 18-24 month iterative development cycles for latest advancements
- 10-year headstart – array of reference accounts
- Millions of cellular endpoints deployed



Innovation Center:
Milwaukee, WI, USA

Software & Analytics

- Cloud software for utility operations, sustainability
- Holistic view of water systems / network monitoring
- Real time detection of anomalies and events
- Decision dashboards
- Process automation



Innovation Centers:
Los Gatos, CA, USA
Milwaukee, WI, USA
Hethel, UK



Badger Meter Delivers on More Than a Century of Smart Water Innovation



Two Milwaukee entrepreneurs developed first “frost-proof” water meter for use in the frigid northern US climate



- Listed on the American Stock Exchange.
- Launched trademarked “flowing B” symbol.
- Formed Badger Meter Europe GmbH in Germany

- Acquired Racine Federated, broadening industrial flow measurement applications
- 2013 Acquired AquaCue to advance smart water offerings - cellular radio and BEACON software expertise



- Acquired s::can and ATI, leaders in real-time water quality monitoring utilizing optical and electrochemical sensing



- Survived great depression
- Assisted war effort manufacturing bomb fuses
- Moved to current Brown Deer facility
- Split off foundry business

- Established Nogales, Mexico facility
- Launched first Drive-By AMR radio endpoints
- Extensive expansion into industrial flow technologies and markets
- Opened Czech Republic Facility
- Launched advanced metering infrastructure (AMI)



- Acquired D-Flow bringing advanced ultrasonics expertise
- Innovating cellular offerings with LTE-M technology
- BEACON and EyeOnWater consumer app

- Acquired Syrinix and Telog/Unity – further expanding hardware-enabled software technology



Supporting Customers from Our Global Manufacturing and Innovation Footprint



❖ Innovation / R&D Centers

● Manufacturing Facilities

Also operate four US distribution centers and a variety of global sales offices

AMI Adoption Accelerating with Business Case for Utilities Well Understood; Timing Aligned to Meter Replacement Cycle Bringing Higher ASP Opportunity

The Business Case

Why are utilities willing to pay more?

- Reduce non-revenue water (NRW)
 - Mechanical meters lose some accuracy over time
 - Continuous flow / leak detection – in network and homes
- Lower operating cost / improve efficiencies
 - Reduced truck rolls - move in/out reads and billings
 - Flow shut-off/restriction technology – labor to turn off and on water services
- Encourage conservation
 - Manage what you measure
 - Leak avoidance / fix

The Solutions

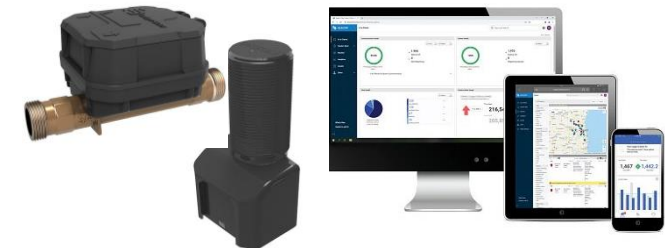
How our leading technologies deliver

- Meters
 - Static (E-series ultrasonic) holds accuracy over life; residential and commercial sizes
- Radio Endpoints
 - Efficient and safe - remote reads
 - Data and analytics – more data, more often
 - Cellular – infrastructure-free for utilities; flexible and resilient
- Software
 - Leak identification / detection
 - EyeOnWater for consumer engagement

MANUAL READ MECHANICAL METER WITH REGISTER
~\$70



METER WITH CELLULAR RADIOS/OFTWARE
~\$250 per System





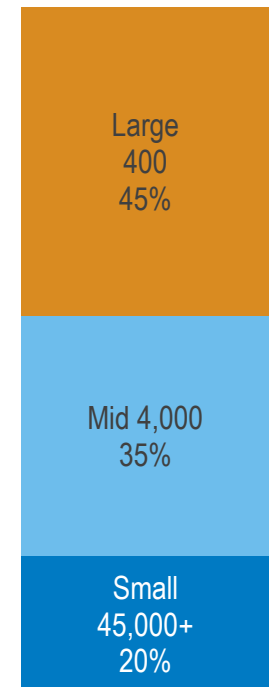
Badger Meter Enjoys a Strong Market Position in North American AMI Adoption; Customer Diversity with Tailorable and Differentiated Offerings

AMI “Choice Matters” Differentiation

Broadest Range of Offerings – Choice Matters	<ul style="list-style-type: none"> • Brass and polymer • Mechanical and static (ultrasonic) • Drive by, fixed and cellular radio technology
Technology Leadership	<ul style="list-style-type: none"> • ORION Cellular – leverages existing infrastructure, flexible, secure, broad coverage • SaaS with BEACON/EyeOnWater – actionable data for utility and homeowner
Innovation	<ul style="list-style-type: none"> • Ultrasonic expertise • Remote actuating flow restriction valve • Real-time water quality sensing – optical and electrochemical • Network monitoring – RTUs, high frequency pressure, acoustic leak detection
High Service Levels and Customer Support	<ul style="list-style-type: none"> • Strong brand preference – long term relationships / loyalty • Channel coverage - regional service center and local distribution to cover smaller utilities • Highly trained Solution Architects, customer care and field technology support
Low Lifecycle Costs	<ul style="list-style-type: none"> • Highly accurate and quality products / low warranty • Exceptional battery life • Leverage existing cellular technology network

>50K Water Utilities in US

Utility Size and their Share of Meter connections

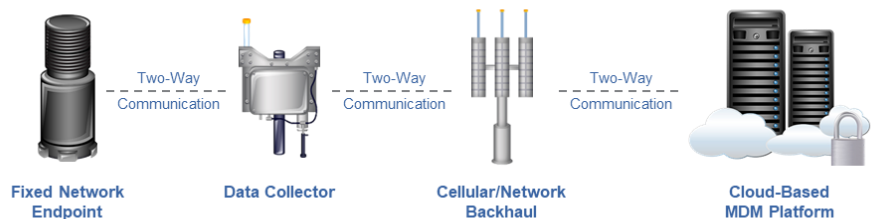




Badger Meter Is the Undisputed Leader in Cellular Communication with Millions of Endpoints Deployed; Provides Myriad of Benefits to Utilities

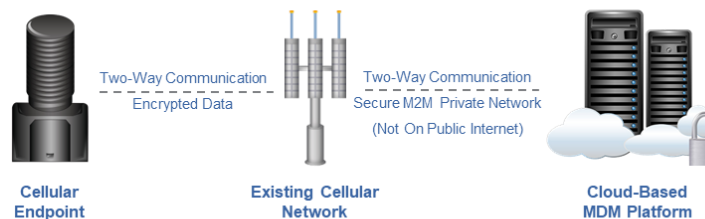
Data Collector Fixed Network

Single Purpose Network



Cellular NaaS Network

Cellular/Smart City/IoT Network



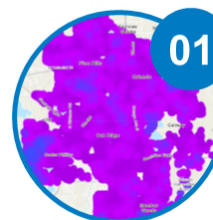
System Engineering/Deployment



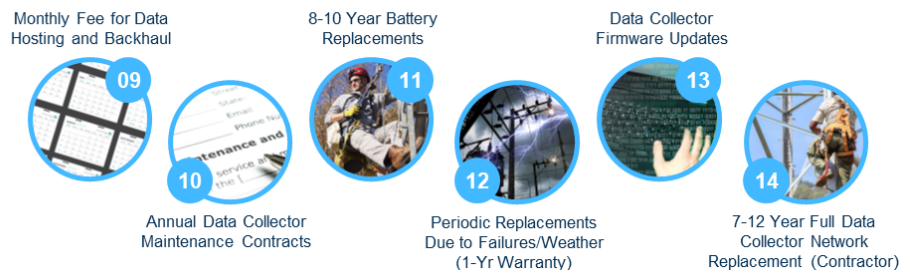
System Engineering/Deployment

Cellular Coverage Analysis

Built-in Redundancy/Expedited Project With No Network Installation Needed



Ongoing System Maintenance/Fees



Ongoing System Maintenance/Fees

NaaS Management Fee



Cellular Network as a Service (NaaS)

- Easy
- Flexible
- Resilient
- Secure
- Sustainable

Key Growth Strategies for Utility Smart Water

- Maintain leading position in the North American smart water market through continued development of leading-edge offerings
 - AMI adoption rate only at one third of connections
 - Leverage natural meter replacement cycle to upgrade customers (no radio or AMR to AMI)
- Leverage addition of real-time water quality monitoring, high frequency pressure & network monitoring and other system health parameters into actionable data to improve utility operations
- Augment software, including consumer engagement technology, for optimized customer solution
- Penetrate and grow select international markets (e.g. Middle East, UK) with fit-for-market solutions



Key Growth Strategies for Flow Instrumentation

- Expand niche share by targeting water-related applications, predominately
 - Building Automation/HVAC/Sustainability
 - Wastewater treatment and distribution
- Leverage addition of real-time water quality monitoring for industrial process and discharge water
- Penetrate international markets where both smart water and industrial applications exist





Strategic M&A is an Enabler to Expand Offerings and Accelerate Growth

- Hardware-enabled software and technology solutions that can be leveraged across both utility and flow instrumentation markets
 - Water quality monitoring
 - Leak detection, conservation
- Software enhancements - SaaS
 - Utility operations
 - Network monitoring
 - Consumer portals
- International penetration

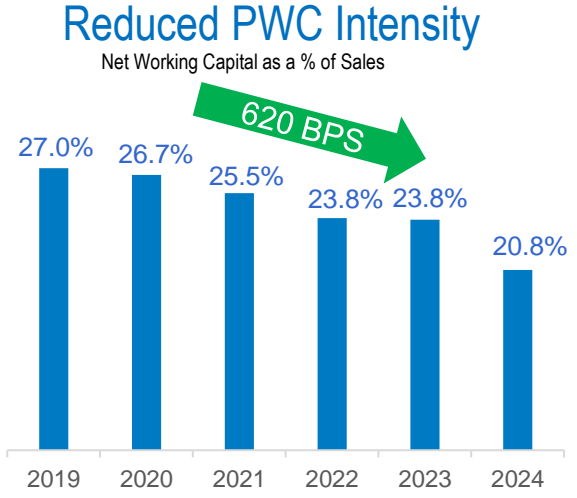
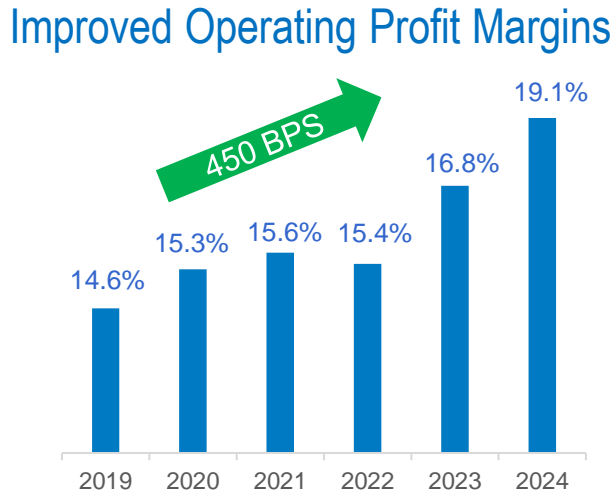
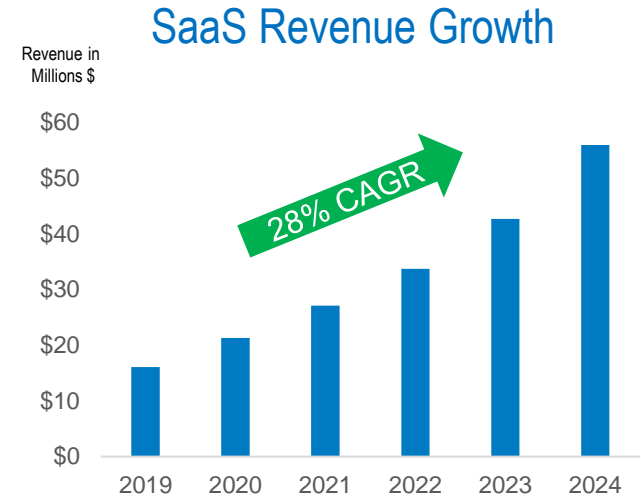
Year	Company	Type	Location	Price
Utility Water Instrumentation and Connectivity:				
2025	SmartCover	Water collection system monitoring	US	\$185M
2024	Telog / Unity	RTUs and software	US	\$3M
2023	Syrinix, Ltd.	Pressure monitoring	UK	\$18M
2021	Analytical Technology, Inc	Water quality monitoring	USA / UK	\$44M
2020	s::can	Water quality monitoring	Vienna, Austria	\$31M
2018	Innovative Metering Solutions	Distributor	Tampa, FL	\$8M
2017	Carolina Meter	Distributor	Wilmington, NC	\$6M
2017	D-Flow	Ultrasonic Technology/R&D	Lulea, Sweden	\$23M
2015	United Utilities	Distributor	Smyrna, TN	\$3M
2014	National Meter	Distributor	Denver, CO	\$23M
2013	Aquacue	Software/cellular technology/R&D	Los Gatos, CA	\$14M
Flow and Industrial Instrumentation:				
2012	Racine Federated	Technology/Manufacturing	Racine, WI	\$57M
2011	Remag	Technology/Manufacturing	Bern, Switzerland	\$5M
2010	Cox Instruments	Technology/Manufacturing	Scottsdale, AZ	\$8M



Continue to Demonstrate Strong Financial Outcomes from Execution of Strategic Growth Investments - Both Organic and Acquisition-Related

Full Year 2024

- 18% Sales Growth**
- SaaS revenue 6.7% of sales**
- +230 bps Operating Margin**
- 114% Free Cash Flow Conversion**
- 35% EPS Growth**





Attractive Financial Trends Showcase Execution of Strategy

(US\$ in millions, except per share data)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Sales	\$424.6	\$425.5	\$505.2	\$565.6	\$703.6	\$826.6
Oper Earnings	62.2 <i>14.6%</i>	65.2 <i>15.3%</i>	78.7 <i>15.6%</i>	87.3 <i>15.4%</i>	118.0 <i>16.8%</i>	157.9 <i>19.1%</i>
EBITDA	86.0 <i>20.3%</i>	90.2 <i>21.2%</i>	106.5 <i>21.1%</i>	113.4 <i>20.0%</i>	146.0 <i>20.8%</i>	190.1 <i>23.0%</i>
EPS	1.61	1.69	2.08	2.26	3.14	4.23
Free Cash Flow	\$73.2	\$80.5	\$80.8	\$76.6	\$98.1	\$142.2
FCF Conversion	<i>155%</i>	<i>163%</i>	<i>133%</i>	<i>115%</i>	<i>106%</i>	<i>114%</i>

Note: See Annual Report for GAAP to Non-GAAP reconciliations.

- Sales growth driven primarily by smart water solution adoption
 - AMI, Cellular communications and SaaS
 - Water quality / pressure / network monitoring
- Margins driven predominately by favorable sales mix, volume and long-term price/cost
- SEA investments for growth; expense control with leverage improvement
- Robust cash flow generation with working capital management; conversion above 100%
- Ample balance sheet flexibility



GAAP To Non-GAAP Reconciliations

EBITDA

(US\$ in millions)

	<u>Q1 2025</u>	<u>Q1 2024</u>
Net Earnings (GAAP)	\$38.4	\$29.1
Interest income	(1.3)	(1.5)
Income tax provision	12.4	9.0
Depreciation	2.8	2.9
Amortization	<u>5.4</u>	<u>5.1</u>
EBITDA	\$57.7	\$44.6

Free Cash Flow

(US\$ in millions)

	<u>Q1 2025</u>	<u>Q1 2024</u>
Cash from Ops (GAAP)	\$33.0	\$21.5
Capital Expenditures	<u>(3.0)</u>	<u>(2.7)</u>
Free Cash Flow	\$30.0	\$18.8